

Introduced by Senator Anderson

February 26, 2015

An act to amend Sections 17406 and 17407 of the Education Code, relating to school facilities.

LEGISLATIVE COUNSEL'S DIGEST

SB 569, as introduced, Anderson. School facilities: construction contracts.

Existing law, until January 1, 2019, authorizes the governing board of a school district to lease real property for a minimum rental of \$1 per year if the instrument by which this property is leased requires the lessee to construct, or provide for the construction of, a building to be used by the school district and provides that the title to the building shall vest in the school district at the end of the lease. Existing law also requires the instrument to provide that the person, firm, or corporation that constructs the building shall comply with specified prequalification requirements.

Existing law also authorizes, until January 1, 2019, the governing board of a school district to enter into an agreement with the lowest responsible bidder to construct, or provide for the construction of, a building to be leased and used by the school district upon a designated site if the instrument provides that the title to the building and site shall vest in the school district at the end of the lease. Existing law requires the agreement to provide that the person, firm, or corporation that constructs the building shall comply with specified prequalification requirements.

This bill would make nonsubstantive changes to these provisions.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 17406 of the Education Code, as amended by Section 1 of Chapter 408 of the Statutes of 2014, is amended to read:

17406. (a) (1) Notwithstanding Section 17417, the governing board of a school district, without advertising for bids, may let, for a minimum rental of one dollar (\$1) a year, to ~~any~~ a person, firm, or corporation ~~any~~ real property that belongs to the *school* district if the instrument by which this property is let requires the lessee therein to construct on the demised premises, or provide for the construction thereon of, a building or buildings for the use of the school district during the term of the lease, and provides that title to that building shall vest in the school district at the expiration of that term. The instrument may provide for the means or methods by which that title shall vest in the school district prior to the expiration of that term, and shall contain other terms and conditions as the governing board *of the school district* may deem to be in the best interest of the school district.

(2) If the instrument meets the criteria of subdivision (a) of Section 20111.6 of the Public Contract Code, the instrument shall also require that a person, firm, or corporation that constructs the building, including, but not limited to, the prime contractor and, if used, electrical, mechanical, and plumbing subcontractor, shall be subject to the same prequalification requirements for prospective bidders described in Section 20111.6 of the Public Contract Code, including the requirement for the completion and submission of a standardized prequalification questionnaire and financial statement that is verified under oath and is not a public record.

(b) ~~Any~~ A rental of property that complies with subdivision (a) as it reads on the day that the lease is entered into shall be deemed to have thereby required the payment of adequate consideration for purposes of Section 6 of Article XVI of the California Constitution.

(c) This section shall remain in effect only until January 1, 2019, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2019, deletes or extends that date.

SEC. 2. Section 17407 of the Education Code, as amended by Section 3 of Chapter 408 of the Statutes of 2014, is amended to read:

1 17407. (a) The governing board of ~~any~~ a school district may
2 enter into an agreement with ~~any~~ a person, firm, or corporation
3 under which that person, firm, or corporation shall construct, or
4 provide for the construction of, a building to be used by the *school*
5 district upon a designated site and lease the building and site to
6 the *school* district. The instrument shall provide that the title to
7 the building and site shall vest in the *school* district at the expiration
8 of the lease, and may provide the means or method by which the
9 title to the building and site shall vest in the *school* district prior
10 to the expiration of the lease, and shall contain other terms and
11 conditions as the governing board of the *school* district deems to
12 be in the best interest of the *school* district.

13 (b) The agreement entered into shall be with the lowest
14 responsible bidder who shall give the security that ~~any~~ a governing
15 board of a *school district* requires. The governing board of a *school*
16 *district* may reject all bids. For the purpose of securing bids the
17 governing board of a *school district* shall publish at least once a
18 week for two weeks in ~~some~~ a newspaper of general circulation
19 published in the *school* district, or if there is no paper, then in ~~some~~
20 a paper of general circulation circulated in the county, a notice
21 calling for bids, stating the proposed terms of the agreement and
22 the time and place where bids will be opened.

23 (c) If the agreement meets the criteria of subdivision (a) of
24 Section 20111.6 of the Public Contract Code, the agreement shall
25 also require that a person, firm, or corporation that constructs the
26 building, including, but not limited to, the prime contractor and,
27 if used, electrical, mechanical, and plumbing subcontractor, under
28 this section shall be subject to the same prequalification
29 requirements for prospective bidders described in Section 20111.6
30 of the Public Contract Code, including the requirement for the
31 completion and submission of a standardized prequalification
32 questionnaire and financial statement that is verified under oath
33 and is not a public record.

34 (d) This section shall remain in effect only until January 1, 2019,
35 and as of that date is repealed, unless a later enacted statute, that
36 is enacted before January 1, 2019, deletes or extends that date.

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